

Review of Acquisition Workforce Training, Processes and Tools for Service Contracts

PHASE I BRIEFING

TO

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Overview

- Service Contract
- What makes Service Contracts Different
- Issues and Concerns
- Historical Data
- Acquisition Work Force
- Training
- Processes
- Tools

Service Contract

A contract that directly engages the time and effort of a contractor to perform an identifiable task

- 1. Maintenance, overhaul, repair, servicing, rehabilitation, salvage, modernization, or modification of supplies, systems, or equipment.
- 2. Routine recurring maintenance of real property.
- 3. Housekeeping and base services.
- 4. Advisory and assistance services.
- 5. Operation of Government-owned equipment, facilities, and systems.
- 6. Communication services
- 7. Architect-engineering services
- 8. Transportation and related services
- 9. Research and Development

What Makes Service Contracting Different

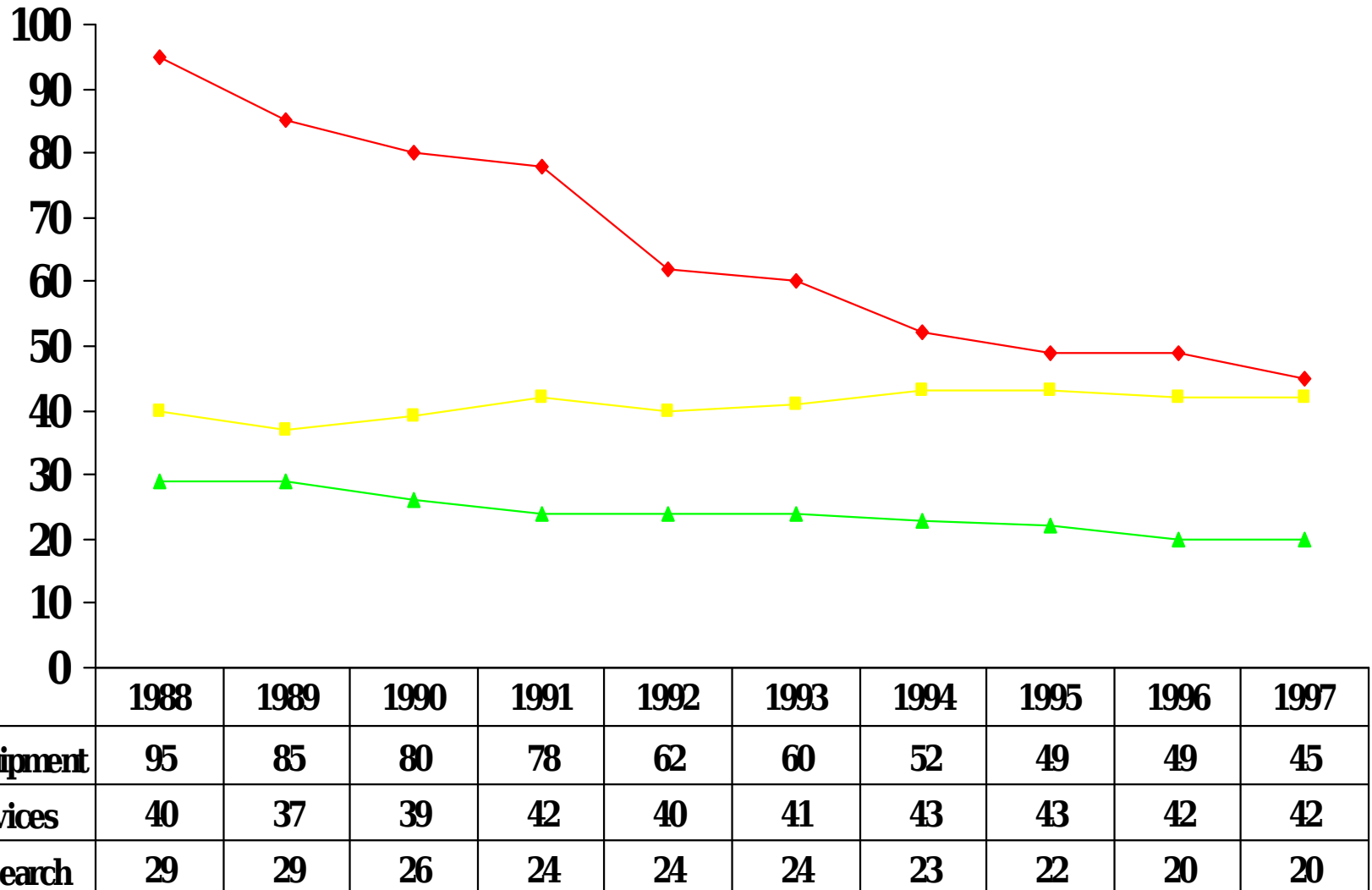
- *Identification of inherently governmental functions*
- *Identification of personal vs non-personal services*
- *Difficulty in defining performance outcomes*
- *Requirements of Service Contract Act*
- *Once out-sourced, in-house capability lost*
- *Familiarity & Ability to do A-76 competition*

Service Contracting Issues and Concerns

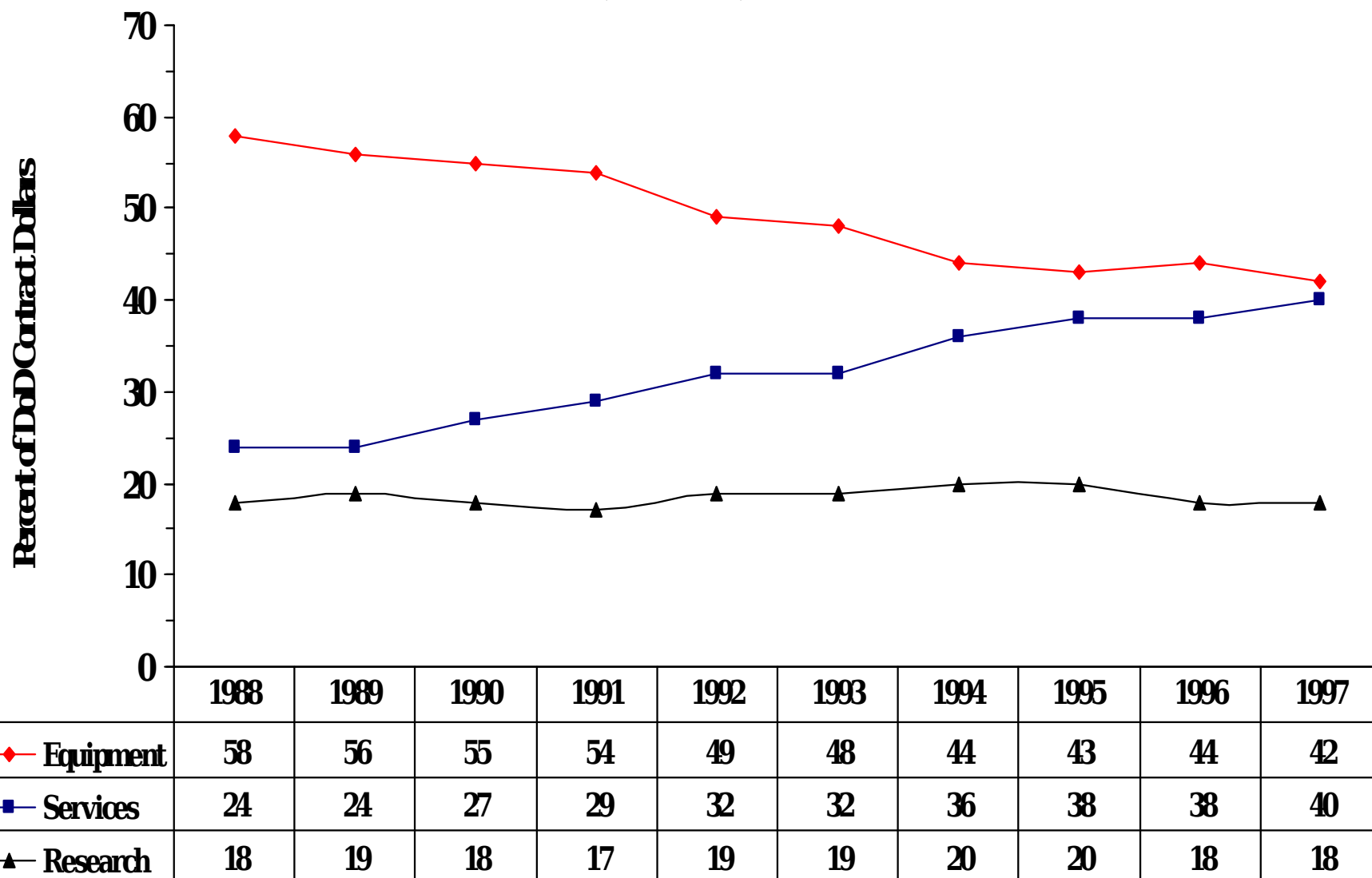
- *OFPP Study - PBSC reduced prices by 15%*
- *Misuse of personal services*
- *Broad work statements*
- *Bundling*
- *Lack of training in writing performance based work statements*
- *Contracting out - non-cost factors not considered*

Equipment, Service, and Research Prime Contracts (1988-97)

Dollars in billions



Percentages for Equipment, Service, and Research Prime Contracts (1988-97)



Service Contracts

DoD

Type	Service	Dollars	Actions
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1			
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2			
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3			
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4			
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5			
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6			
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7			
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8			
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(to be supplemented with service data
and to include R&D as a 9th type service)

Service Contracts

DoD

Type of Activity	Dollars	Actions
Operational		
Sustainment		
Product	(to be supplemented with service data)	

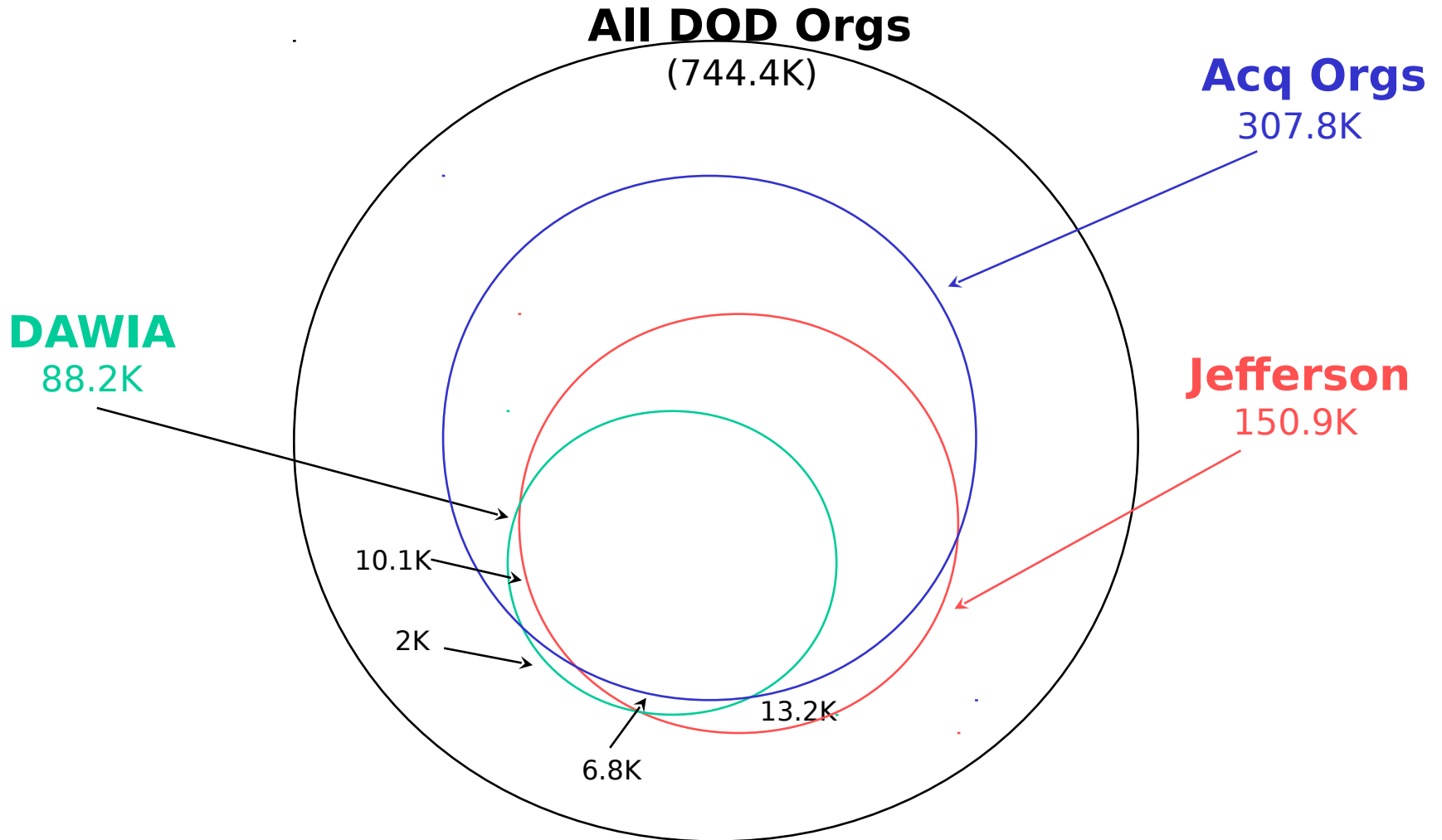
Acquisition Workforce Definitions

Definition	Description	Purpose and Usage as Baseline	End FY 97 Strength*		
			Civilians	Military	Total
Acquisition Organizations	DODI 5000.58 (1991)	Reengineering, Downsizing, Process Improvement	307,823	47,476	355,299
DAWIA	Designated according to statute (P.L. 101-510, 1993)	Professional workforce for education and training	88,193	15,152	103,345
Jefferson (Revised Packard)	Occupational	Standard definition for professional workforce (education and training)	150,975	17,703	168,678

* Source: Defense Manpower Data Center

DOD Acquisition Workforce

End FY 97 Civilians

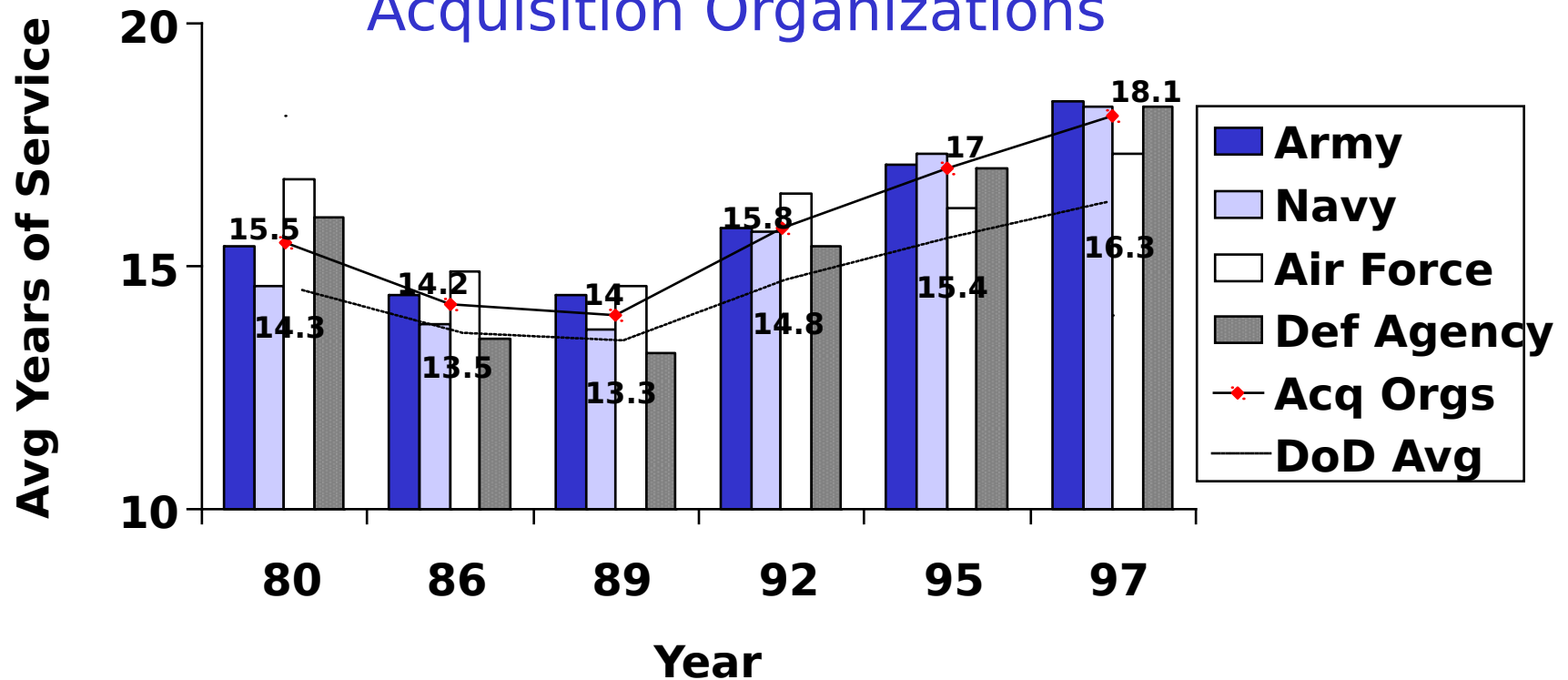


Acquisition Functions

Function	Occupations	Acquisition Organizations End FY97
Acquisition Logistics	0346, 2003, 1104, 1107	11,632
Auditing	0511	4,116
Financial Mgmt	0505, 560, 1101, 1515, 1520, 1530	10,757
Sys Plan, RDT&E	08XX, 13XX, 0150, 0334, 1550	86,738
Proc & Contracting	1102, 1105, 1106	19,999
Production	1152, 1910, 1103, 0246, 1150	11,913
Program Mgmt	0340	835
Total		145,990

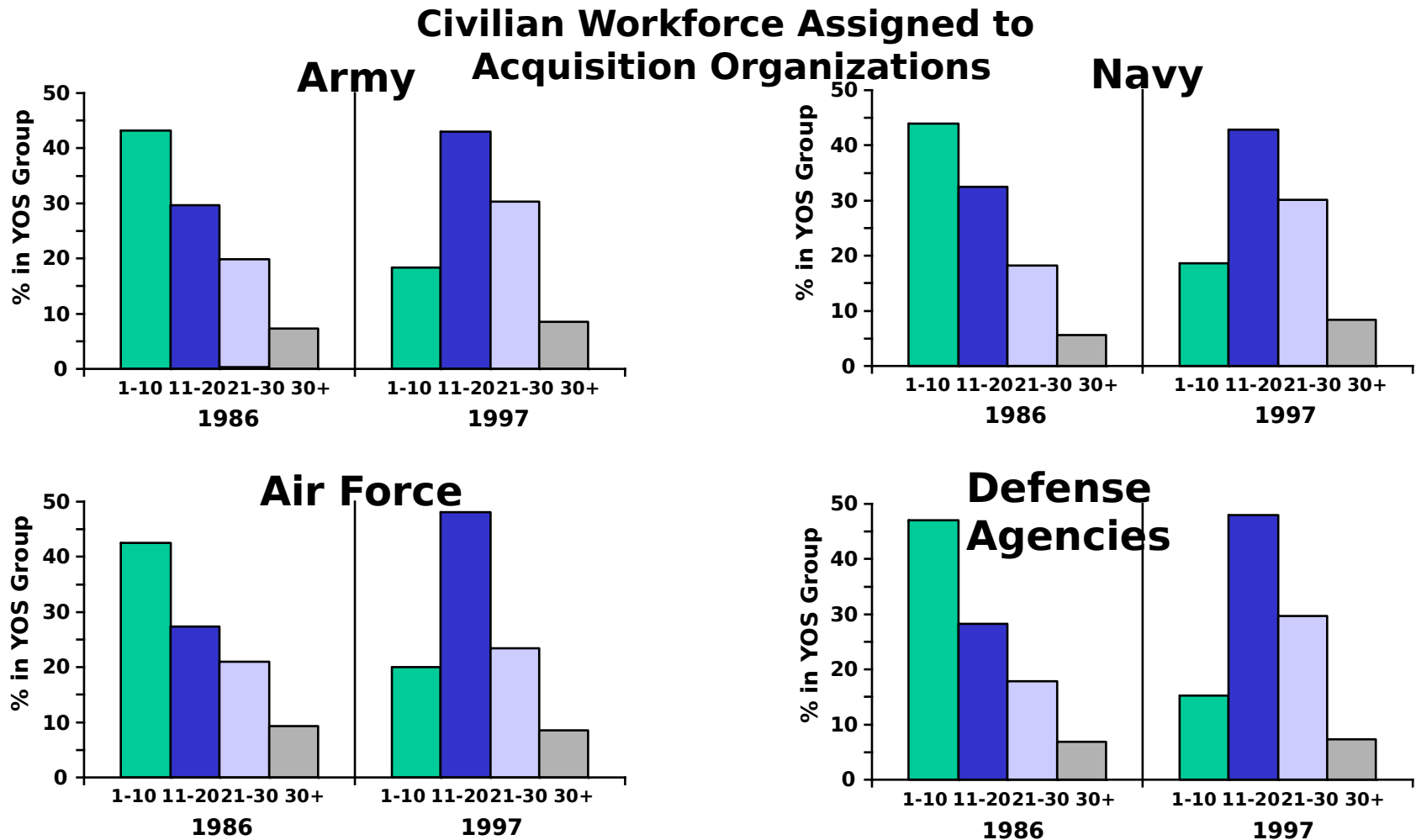
Years of Service

Civilian Workforce Assigned to Acquisition Organizations



Aging Workforce

Experience Maldistribution



DAU Training

Last Course Taken

DAWIA Workforce
As of: 03/98

Function	< 2 Years	2-4 Years	4-6 Years	6-10 Years	10+ Years
Acq Logistics	37%	19%	8%	4%	32%
Auditing	.1%	0%	0%	0%	99.9%
Finance	18%	16%	6%	5%	55%
Plan, RDT&E	17%	20%	11%	2%	50%
Contracting	29%	16%	12%	8%	35%
Production	7%	7%	6%	1%	79%
Program Mgmt	28%	16%	9%	2%	45%

Service Contracting Training/Courses

- **DAU Courses (76)**
 - 12 have learning objectives of either acquiring services or developing performance work statements
 - None exclusively address acquisition of services
- **DoD Courses**
 - Introduction to Service Contracting - NCAT
 - Contracting Officer's Representative Course - ALMC & Navy
 - 3 AF Quality Assurance Courses
 - Performance Based Work Statement Workshop - Army
 - Performance-Based Contracting - AR Satellite Broadcast

Training/Courses(Cont)

- **Government Courses**

- Contracting Officer's Technical Representative Training - Dept. of Commerce
- Non DoD agencies rely on external sources for training

- **Commercial Courses**

- Contracting for Services - NCMA
- Contracting for Services - National Institute of Governmental Purchasing, Inc.
- Buying Basics for Non-Manufacturing and Service Organizations - National Association of Purchasing Management(NAPM)
- Legal Aspects of Purchasing Services - NAPM

Training/Courses (Cont)

- **Commercial Courses (Cont)**

- Service Contracting - University of Virginia
- Contracting for Services - George Washington University (GWU)
- Best Practices in Performance-Based Service Contracting - GWU
- Preparing Performance-Based Statements of Work - GWU
- Managing Service Contracts - American Graduate University

Service Contracting Processes

- None found exclusively for services

Service Contracting

Tools, Guides, Examples

- Acquisition Planning Guide (Contingency Contracting) - DoD Deskbook
- A Guide to Best Practices for Performance -Based Service Contracting - OFPP
- Government Contracts for Services: The Handbook For Acquisition Professionals - American Bar Assn.
- Market Research; Gathering Information About Commercial Products and Services - Deskbook
- Guide to Best Practices for Performance-Based Service Contracting - Deskbook
- Guide for the Preparation and Use of Performance Specifications - Deskbook

Tools, Guides, Examples (Cont)

- A Guide for Writing and Administering Performance Statements of Work for Service Contracts - OFPP
- Performance Based Service Contract Checklist; OFPP Memo for Senior Procurement Executives - Deskbook
- Software Development Contracts Performance-Based Service Contracting Work Statement Policy Guidance - Acquisition Reform Network (other examples)
- Performance-Based Service Contracting: The New FAR Guidance - Nash & Cibinic Report
- *(Numerous articles, IG and GAO reports)*

Tools, Guides, Examples (Cont)

- User Manuals
 - USAF Manual 64-108, “Service Contracts”
 - NAVFAC M0327, “Facilities Support Contract Quality Management Manual”
 - OFPP Pamphlet #4, “A Guide for writing and Administering Performance Statements of Work for Service Contracts”
 - AMC Pamphlet 715-17 “Guide for the Preparation and Use of Performance Specifications”
 - AR 5-14, “Management of Contracted Advisory and Assistance Services”

Summary

- Service contracting has unique considerations
- Dollars and actions difficult to capture accurately
- Acquisition Workforce defined and aging
- Most training not solely focussed on services
- No unique processes for service contracting
- Wide range and variety of materials on service contracting available - not centrally located, quality - uncertain